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Cotton and Products

Cotton and Products Annual 2009

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Report Highlights:

In MY2009, Turkish cotton area and production are forecast to decline for the third year in a row, to 300,000 ha and 1.8 million bales (400,000 MT), the lowest levels since 1995. Farmers are switching to crops that offer better returns, primarily corn. As the textile industry suffers from global economic conditions, imports in MY2009 are forecast at 3.1 million bales, assuming domestic consumption of 5.05 million bales.

Includes PSD Changes: Yes
Includes Trade Matrix: Yes
Annual Report
Ankara [TU1]
[TU]

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Executive Summary

Turkish cotton area and production will decline for the third year in a row in MY 2009, to a forecast 300,000 hectares and 400,000 MT (1.8 million bales), the lowest levels since 1995 when the GAP (Southeastern Anatolia) project brought flood irrigation to the Harran plain. MY 2008 area and production estimates have been lowered to 345,000 hectares and 450,000 MT (2.06 million bales), as a larger-than-expected area was converted to other crops such as corn and vegetables.

The continued decline in cotton area and production is the result of low farmer returns on cotton, and expectations of better returns on wheat, corn, or wheat and corn rotations. In contrast to last season, when lack of irrigation water was a source of concern, this winter all the cotton growing regions received adequate precipitation, and reservoirs are reported to have sufficient water for irrigation. In spite of the favorable weather conditions, farmers will plant less cotton because of high input costs and low local prices, and no effective production support system.

The drought in 2008 caused income losses in the Southeast Anatolian region and forced the Turkish government to announce a new initiative to allocate about US\$12 billion in five years to build many dams, irrigation channels and other infrastructure in the region and to irrigate an additional 780,000 hectares of land. In an attempt to persuade farmers in the region to continue planting cotton, the Agricultural Minister also announced that seed cotton will be under a production bonus system until 2011.

Although the area planted will decline, overall yields are expected to improve somewhat, because the farmers who continue planting cotton are the most efficient, and have modern equipment and larger fields. Increased utilization of certified seeds has also helped to increase yields.

The Ministry of Foreign Trade has undertaken a program to establish HVI machine classification of Turkish cotton. They plan to create facilities furnished with HVI machines in Izmir, Urfa and Adana. The new system is expected to be functional in MY 2010 and data for each bail will be collected in a national data base. In April 2009, USDA and the Cotton Council arranged for training of a technical delegation at the USDA/AMS facility in Memphis.

Domestic cotton consumption in MY 2008 is expected to drop to 1.05 MMT (4.82 million bales). The strength of the Turkish Lira against the major foreign currencies between 2004 and mid-2008 has hurt textile exports and facilitated imports of low cost yarn and fabric. Many yarn mills have suspended operation and some have moved their mills to lower cost countries such as Egypt. Other companies sold their machinery to buyers from competing countries such as India. The lifting of Chinese textile export quotas in the beginning of 2008 also hurt Turkish exports of ready to wear clothing since production costs are higher in Turkey.

Despite the devaluation of the Turkish lira since September 2008, the global economic slump has had brutal effect. Turkish companies have been trying to hold on to their markets by emphasizing their advantage in shipping times and focusing on fashion and design, particularly in Europe.

The textile and garment industries are crucial to Turkey's economy, accounting for 8 percent of its GDP, 16 percent of its total industrial production and about 10 percent of its manufacturing jobs. Turkey is the second biggest apparel and textile supplier to the EU, after China, and is the eight largest textile exporter in the world and fourth largest apparel exporter. Textile and garment exports still significant to Turkey's economy despite the recent

decline to 17 percent of total Turkish export as of February 2009. Total Turkish textile and garments exports were 24 percent of the total exports in 2007 and the sharp reduction in EU demand was the reason for the decline in total textile exports. Turkish textile and apparel exports amounted to \$21.88 billion in 2008, down 0.2% from \$21.9 billion in 2007. The downward trend in exports started in October 2008, with an 8.7% fall, continuing in November (25%) and December (27%). The drop was even sharper in the first two months of 2009, with a 32% fall in January and 39% in February. The Istanbul Ready-Wear and Apparel Exporters' Union (IHKIB) announced on April 13 that they expected a 30% fall in Turkey's apparel exports in 2009.

Parallel to consumption trends Turkey's cotton imports declined sharply to 303,000 MT (1.39 million bales) during the first seven months of MY 2008 and year end total cotton imports are expected to remain about 600,000 MT (2.75 million bales) compared to 711,000 MT (3.2 million bales) in MY 2007. Imports expected to pick up in MY 2009 to 675,000 MT (3.9 million bales) due to lack of domestic supplies and expected improvement in textile demand. The United States continues to be the leading cotton supplier to the Turkish market, supplying sixty-five percent during the first seven months of the marketing year. Total cotton imports from the U.S. in MY 2008 are expected to reach 375,000 MT (1.7 million bales).

Despite the decline, Turkey is expected to remain the second-largest market for U.S. cotton exports.

MY 2007 Turkish cotton exports reached 56,730 MT (260,000 bales) of which the great majority was to Turkish Free Trade Zones and some were imported back in to the country. Total Turkish cotton exports declined significantly during the first seven months of the MY 2008 to 4,000 MT (202,000 bales) due to traders' unwillingness to take positions caused by the strong Turkish Lira and lower domestic supplies.

Production

Cotton planted area in MY 2009 is forecast to continue to fall bringing the total to about 300,000 hectares –less than half the level just three years ago. In contrast to last year, all the cotton growing regions have received adequate rains and irrigation water is reported to be sufficient in all regions. Excessive rains in the Hatay region, which is part of Cukurova, prevented corn planting and these fields are expected to be planted to cotton. But in spite of availability of irrigation water, higher input prices such as seed, fertilized, fuel and electricity and better returns on wheat, corn and soybean production, caused overall cotton planting area to decline. Although planting will remain the same as last year in the Aegean region, it will decline sharply in the GAP region and also, but lesser degree, in the Cukurova region. Total MY 2009 production is expected to be about 400,000 MT (1.8 million bales) compared to 825,000 MT (3.78 million bales) three years ago.

In October 2008, the government announced production bonus amounts for the 2008 cotton crop. The seed cotton bonus rose ten percent to TL 0.360 per kilo but later the government announced that ten percent reduction will be made in all bonus payments due to budget restrictions. But prior to the March 2009 municipal elections, to prevent further reduction in planting, the GOT announced via coops that the seed cotton production bonus for MY 2009 crop will be TL 0.420 per kilo. Farmers speculated that the announcement reportedly had no positive affect on planting, as there might be a reduction later due to budget shortfalls; and furthermore it was too late for some farmers who already had planted corn.

PSD, MT

PSD Turkey						
Cotton (HECTARES)(MT)						
	2007	Revised	2008	Estimate	2009	Forecast
	USDA Official [Old]	Post Estimate [New]	USDA Official [Old]	Post Estimate [New]	USDA Official [Old]	Post Estimate [New]
Market Year Beginning		Aug-07		Aug-08		Aug-09
Area Planted	520000	520000	400000	350000	0	300000
Area Harvested	520000	520000	400000	345000	0	300000
Beginning Stocks	242897	242897	272563	272563	0	262563
Production	675000	675000	550000	450000	0	400000
Imports	711396	711396	700000	600000	0	675000
MY Imp. from U.S.	480250	480250	450000	400000	0	450000
TOTAL SUPPLY	1629293	1629293	1522563	1322563	0	1337563
Exports	56730	56730	40000	10000	0	10000
USE Dom. Consumption	1300000	1300000	1275000	1050000	0	1100000
Loss Dom. Consumption	0	0	0	0	0	0
TOTAL Dom. Consumption	1300000	1300000	1275000	1050000	0	1100000
Ending Stocks	272563	272563	207563	262563	0	227563
TOTAL DISTRIBUTION	1629293	1629293	1522563	1322563	0	1337563

While the area planted will decline, overall yields are expected to improve because the farmers that continue to plant cotton are the most efficient and experienced, well equipped and have larger fields. Therefore, better planting techniques and economies of scale will help them to achieve higher yields. An increase in the use of certified seeds is also expected to increase yields. The increase in certified seed use is driven by a ten percent higher production bonus for certified seed users.

Harran is the heart of the cotton growing area in the GAP region, where 140,000 hectares are under irrigation. An estimated 15,000 hectares of land have been affected by salt accumulation caused by poor irrigation practices. However, it recently has been reported that drainage canals are being built to prevent harm to the cotton fields from rising underground water levels due to excessive irrigation. The GOT also provides technical and financial assistance to farmers to build modern irrigation systems to prevent ecological problems and wasting water resources.

Pests, including budworm and bollworm, are a problem for cotton producers, particularly in the Cukurova region. Therefore, the government ban on aerial pesticide spraying in May 2006 harmed producers in the region. According to growers, there is no other cost-effective way to control infestations in traditional varieties. Turkey does not permit planting of Bt insect-protected cotton.

PSD, '000 480 lb Bales

Cotton Turkey	2007			2008			2009	
	2007/2008			2008/2009			2009/2010	
	Market Year Begin: Aug 2007			Market Year Begin: Aug 2008			Market Year Begin: Aug 2009	
	Annual Data Displayed	New Post		Annual Data Displayed	New Post		Annual Data Displayed	Jan
			Data			Data		Data
Area Planted	0	0		0	0			
Area Harvested	520	520	520	380	380	345		300
Beginning Stocks	1,951	1,115	1,115	1,949	1,275	1,250		1,205
Production	3,100	3,100	3,100	2,300	2,300	2,066		1,835
Imports	3,268	3,100	3,265	2,150	3,100	2,754		3,100
MY Imports from U.S.	0	2,157	2,204	0	2,065	1,835		2,066
Total Supply	8,319	7,315	7,480	6,399	6,675	6,070		6,140
Exports	370	300	260	150	230	45		45
Use	6,000	5,740	5,970	4,700	5,510	4,820		5,050
Loss	0	0	0	0	0			
Total Dom. Cons.	6,000	5,740	5,970	4,700	5,510	4,820		5,050
Ending Stocks	1,949	1,275	1,250	1,549	935	1,205		1,045
Total Distribution	8,319	7,315	7,480	6,399	6,675	6,070		6,140
Stock to Use %	31	21	20	32	16	25		21
Yield	1,298.	1,298.	1,298.	1,318.	1,318.	1,304.		1,332.

Although mechanical cotton harvesters were introduced to Turkey only a few years ago, their numbers have increased significantly reaching 430 at the end 2008 compared to 260 three years ago. Trials of cotton harvesters proved they can lessen farmer dependence on hand picking, decreasing labor costs. However, due to the recent drop in production, the number of mechanical pickers is not expected to increase in coming years.

Plans by marketing cooperatives such as Cukobirlik, Antbirlik, and Taris to produce bio-diesel from cottonseed oil and other oils to cut fuel costs have not materialized. The government announced a higher than expected consumption tax for bio-diesel (TL 0.65 per liter) and did not exempt co-op produced bio-diesel from the tax, as expected. Because the high tax diminished the cost advantage of using bio-diesel the co-ops postponed their investment plans.

Production Policy

The Turkish government has spent more than US\$ 20 billion over the past three decades on a gigantic irrigation and agricultural extension project in Southeast Anatolia, the GAP project. When finished some 1.7 million hectares of land will be irrigated and a total of 22 dams will be completed. In 2008 the government promised to allocate US\$ 12 billion in five years for dams, irrigation and infrastructure in the region. So far about seventy-four percent of the hydro electric projects are completed but only fifteen percent of the irrigation projects. If actually realized, a total of 1.04 million hectares of land will be irrigated at the end of the period which could eventually increase cotton planting and production.

Most of Turkey's cotton is planted between mid-March and mid-May and harvested from mid-August through November. The crop is grown in three main areas; the Aegean region, Cukurova and Southeastern Anatolia. Small amounts of cotton are also produced around

Antalya and Antakya. The most popular variety in the Aegean region is "Carmen" and "Nazilli 88"; in Cukurova is "Delta Pine", and "BA 119"; and in the Southeast is "Stone Mill" and "Diyarbakir Gold". Aegean cotton is considered the best quality and is preferred by textile producers. Aegean cotton is longer staple (1 5/32") than cotton from Cukurova (1 3/32") or the GAP (1 1/8) region, although the quality of cotton has improved significantly in the GAP region due to improved seed quality.

The total number of harvesters in Turkey estimated at 430. While the majority of the new harvesters are modern, about 100 are old tractor-pulled harvesters. The number of harvesters is not expected to increase this year due to the production decline.

All of Turkey's estimated 500 gins are privately owned. The majority of the gins in the Aegean region are roller gins, more suitable for longer staple cotton, while about half of the gins in Cukurova and the Southeast are roller gins and half are saw gins. However the recent increase in machine harvesting has triggered construction of new saw gins. The agricultural coops Taris and Cukobirlik have invested in new saw gins to meet the needs of their members.

The ginning rate averages about 41 percent in the Aegean region, about 39 percent in GAP and 38 percent in Cukurova. Ginners generally purchase seed cotton directly from growers. Lint generally is graded and certified by the government-regulated inspectors at the gins, using a green card system. The government has invested in a project to introduce a mechanized HVI testing system and has sent technicians to the United States for training at USDA's Memphis facilities. Domestic regulations require that the entire cotton harvest be ginned before the end of the following April.

Consumption

The Turkish textile industry was adversely affected during the last few years by fiscal and monetary policies that strengthened the Turkish Lira, which in turn hurt exports and facilitated imports of low cost yarn and fabric from India, Pakistan, China and Turkmenistan. The 2008 global economic slump in Turkish textile export markets, such as EU, and the removal of Chinese textile export quotas were other negative factors. The high cost of labor, electricity and transportation in Turkey has caused many mills to suspend operation. Furthermore some mills moved to low cost countries such as Egypt and others sold their machinery. About 1 million spindles have reportedly been moved out of Turkey during the last two years.

Domestic cotton consumption in MY 2008 is estimated to remain about 1.05 MMT(4.82 million bales) tons. Domestic consumption expected to increase only marginally in MY 2009 to 1.1 MMT(5.05 million bales) with the expected increase in exports due to recent devaluation of Turkish Lira and expected recovery in the export markets.

According to the official figures cotton yarn imports was 101,000 MT in 2006 that increased to 182,000 MT in 2007 and declined to 128,000 MT in 2008 due to decline in textile exports and domestic consumption. The GOT declared a new import tax and minimum price on cotton yarn to protect domestic companies.(TU8038)

Despite the recent downturn, the textile industry continues to be one of the most important sectors for the Turkish economy, accounting for 8 percent of GNP, 16 percent of industrial employment and 21 percent of total exports. Investments by the Turkish textile industry since 1985 are estimated at about US\$ 85 billion. There are an estimated 6 million spindles and 800,000 rotors in Turkey.

Turkish textile exporters have the advantage of faster order response times and higher quality than their competitors. In addition, the Turkish ready-to-wear industry has benefited from dollar-Euro exchange rates because their inputs are mostly bought in U.S. dollars while their exports are bought in Euros.

Exporter's Union data shows that at the end of 2008 ready-to-wear item exports decreased for the first time since 1991 to \$15.7 billion. Textile exports on the other hand increased about 3.8 percent, reaching \$6.8 billion in 2008. But exports of both category declined significantly during the first two months of 2009 compared to the same period a year ago. Textile exports declined about 35 percent and ready-to-wear items about 27 percent. Overall share of textiles and products in total exports declined to 17.6 percent from 21.2 percent. The European Union continued to be the leading market for Turkish textile exports in 2008, constituting eighty percent of exports. Exports to the United States were continuing to decline and took 32 percent reduction in 2008 due to competition from other Asian countries.

Domestic cotton is mainly sold directly to mills and the remainder is traded on a spot basis at the exchange in Izmir. The Izmir exchange also trades some cotton from other regions and countries. There are smaller spot markets in Adana and in the Southeast. Although the new cotton futures market in Izmir began operating about two year ago; trading of futures is very limited and has so far had no impact on cotton trading. The development of supporting infrastructure, such as bonded storage facilities, is progressing very slowly and will not affect cotton trade in the near future.

Trade

According to official sources, Turkey imported about 711,000 MT (3.26 Million bales) of cotton during MY 2007, of which sixty-eight percent was U.S. cotton. Imports during first seven months of the MY 2008 were 304,000 MT (1.4 MB) and year-end imports are expected to remain about 500,000 MT (2.23 MB). The United States was the leading supplier, providing sixty-five percent which equaled 196,000 MT (900,000 bales). Greece, Brazil and CIS are the other important sources for Turkey.

The Export Credit Guarantee Program (GSM-102) continues to play an important role in facilitating sales of U.S. cotton and to maintain U.S. market share. The timely announcement of the FY 2009 program ensured maximum utilization of the program.

The U.S. registered 295,000 MT (1.35 MB) of cotton for sale to Turkey during the first eight months of the marketing year. While imports from CIS and India were relatively low at 13,900 MT (64,000 bales) and 5,000 MT (23,000 bales) respectively, imports from Brazil were stronger reaching 16,000 MT (74,000 bales) during the first seven months of MY2008 compared to 17,000 MT (78,000 bales) of whole MY 2007 imports.

Turkey also imported 182,000 MT of cotton yarn and 699 million M² of fabric in 2007 which imports of both declined to 128,000 MT and 603 million M² in 2008 due to decline in usage and increase in cost due to devaluation of Turkish lira. CIS (Uzbekistan, Turkmenistan) and South Asian countries (India, Pakistan, and China) were the suppliers for both items.

Turkey exported a total of 56,700 MT (260,372 bales) of cotton during MY 2007 of which the great majority 47,200 MT (216,648 bales) was to the Turkish free trade zones: about 13,000 MT were reimported during the marketing year. Exports during the first seven months of MY 2008 drop significantly to 6,800 MT (31,000 bales) of which 2,400 MT (11,000 bales) was to Turkish Free Trade Zones. Reduced export activity was due to lack of profit opportunities.

Turkey also exports about 20,000 MT (92,000 bales) hydrophilic cotton annually for medical use; this is not listed in the trade matrix.

Turkey also exported 106,000 MT of cotton yarn and 366 million M² of fabric in 2008. EU member countries were the leading export market for Turkish cotton yarn and fabric.

Due to declining domestic cotton production, the slow pace of development of the GAP region and the large textile industry capacity, Turkey is expected to remain a net cotton importer for years to come.

Import Trade Matrix			
Country	Turkey		
Commodity	Cotton	Units:	Metric tons
Time Period	Aug/July		Aug/Feb
Imports for:	MY 2007		MY 2008
U.S.	480249	U.S.	196,235
Others			
Greece	80268	Greece	52976
Total C.I.S.	63245	Total C.I.S.	13904
India	28440	Mersin FTZ	13315
Brazil	17309	Brazil	16163
Mersin FTZ	15989	India	5079
Egypt	5960	Egypt	2167
Syria	4150	Syria	416
		Senegal	340
Total for Others	215361		104360
Others not Listed	16056		2639
Grand Total	711396		303651

Country	Turkey		
Commodity	Cotton	Units:	Bales
Time Period	Aug/July		Aug/Feb
Imports for:	MY 2007		MY 2008
U.S.	2204343	U.S.	900718
Others			
Greece	368430	Greece	243160
Total C.I.S.	290295	Total C.I.S.	63820
India	130540	Mersin FTZ	61116
Brazil	78210	Brazil	74188
Mersin FTZ	73390	India	23313
Egypt	27356	Egypt	9947
Syria	19048	Syria	1910
		Senegal	1560
Total for Others	987269		479014
Others not Listed	73696		12113
Grand Total	3265308		1393758

Export Trade Matrix

Country	Turkey		Metric tons
Commodity	Cotton	Yarn	
Time Period	Jan/Dec		Jan/Dec
Imports for:	CY 2007		CY 2008
U.S.	9	U.S.	24
Others		Others	
Italy	22877	Italy	22085
Portugal	12554	Portugal	10754
Poland	9181	Poland	8650
Germany	7678	Egypt	8179
Greece	6995	Syria	7758
Romania	5424	Greece	5983
Egypt	4727	Germany	5575
Spain	3564	Spain	3712
Bulgaria	3374	Romania	3303
Kayseri FTZ	2410	Bulgaria	2665
Total for Others	78784		78664
Others not Listed	27101		28105
Grand Total	105894		106793

Import Trade Matrix

Country	Turkey		Metric tons
Commodity	Cotton	Yarn	
Time Period	Jan/Dec		Jan/Dec
Imports for:	CY 2007		CY 2008
U.S.	126	U.S.	11
Others		Others	
India	58566	India	39673
Uzbekistan	46324	Uzbekistan	33460
Turkmenistan	20181	Turkmenistan	20544
Pakistan	27190	Pakistan	14462
Egypt	5809	Egypt	6341
Syria	7252	Syria	2880
China	2498	China	2808
Kayseri FTZ	9907	Kayseri FTZ	2641
Kazakhstan	1148	Kazakhstan	2178
Italy	1184	Italy	692
Total for Others	180059		125679
Others not Listed	2157		3307
Grand Total	182342		128997

Export Trade Matrix

Country	Turkey		
Commodity	Cotton	Fabric	1000 M2
Time Period	Jan/Dec		Jan/Dec
Imports for:	CY 2007		CY 2008
U.S.	15057	U.S.	8620
Others		Others	
Romania	43003	Romania	30718
Italy	42213	Italy	37158
Bulgaria	23766	Germany	20715
Germany	21889	Bulgaria	20118
Istanbul FTZ	17679	Tunisia	17667
France	16387	Poland	17471
Poland	16326	Morocco	15484
Serbia	14174	Egypt	13494
Morocco	11560	France	12760
Algeria	11435	Serbia	11000
Total for Others	218432		196585
Others not Listed	187397		161356
Grand Total	420886		366561

Import Trade Matrix

Country	Turkey		
Commodity	Cotton	Fabric	1000 M2
Time Period	Jan/Dec		Jan/Dec
Imports for:	CY 2007		CY 2008
U.S.	251	U.S.	102
Others		Others	
Pakistan	216886	Pakistan	196777
China	196517	China	183273
Turkmenistan	90936	Turkmenistan	60698
Indonesia	45463	Indonesia	33821
India	31451	India	28569
Thailand	21741	Thailand	19601
Italy	20152	Italy	16502
Istanbul FTZ	16676	Istanbul AFTZ	7450
Egypt	5524	Egypt	6072
Bahrain	4358	Bahrain	5322
Total for Others	649704		558085
Others not Listed	49310		45171
Grand Total	699265		603358

Stocks

There are no official stock estimates but it was reported that Turkish mills preferred to maintain stocks at minimal levels due to the high cost of financing (approximately 1.5 percent per month). In general this policy works to their advantage during the first half of the marketing year when local supplies are abundant and prices are low. However, it also can create vulnerability to price increases in the world market, as well as speculative price increases in the local market during the second half of the marketing year.

Policy

About one third of the Turkish population lives in rural areas and earns its living primarily from farming. Therefore, agriculture and rural development are still top priorities for the Turkish government. Massive investments in the GAP (Southeast Anatolia) project demonstrate this fact.

The farmers' cooperatives, TARIS, Cukobirlik and Antbirlik, have historically provided their members with low-cost loans, seed and fertilizer and are supposed to buy members' cotton at announced prices. However, since the last crises in 2001 and as a part of the IMF economic reform program they became more independent and are not permitted to operate at a loss, necessitating funds from the treasury. TARIS, located in the Aegean region, continues to play a major role in the buying and selling of cotton however the role of Cukobirlik in the Cukurova region has been declining.

In March the government announced that payments ("production bonuses") for MY 2008 seed cotton would be TL 0.36 (approx. US\$ 0.28)/kg. This was only about ten percent higher than the previous year, despite major increases in costs. The GOT later announced that there will be a ten percent deduction for all commodities under the program due to budget restrictions. Although the goal of these payments is to maintain or increase cotton production levels, the level of support was viewed by the farmers as insufficient. This year to prevent further decline in planting the GOT announced in March via marketing cooperatives that the MY 2009 seed cotton production bonus will be TL 0.42 (approx. US \$0.26/kg). Despite significant increase in bonus payments farmers were spectacle that there might be reduction later due to budget and it was too late for some farmers who were already planted corn therefore the announcement reportedly had no positive affect on planting.

Even though the government did not announce when the payments would be dispersed, the payments are usually done in the fall prior to the harvest. In order to encourage continued cotton planting, the Turkish government announced that production bonus payments for seed cotton will continue until 2011.

As with all crops, subsidized credits from the Turkish Agricultural Bank and subsidies for the cost of all fertilizers ended in October 2001. Irrigation water is provided by the State Irrigation Authority (DSI) for a fee but there is a continuing debate whether the price of water is below its actual cost. Pesticides are purchased from the private sector.

Policy, Trade

According to the CY 2009 import regime, cotton imports from all sources are duty-free.

However, in January 2009 the Undersecretariat for Foreign Trade (FTU) unexpectedly announced a new regulation, effective February 1, 2009, requiring all foreign suppliers of cotton and cotton textile product register with the Turkish government by filing documents with Turkish Embassies and Consulates.

Marketing

U.S. cotton is highly valued by Turkish spinners due to its consistent quality and the reputation of the United States as a reliable supplier. Marketing and promotion activities by the Cotton Council International and Cotton Incorporated such as seminars, technical documents and advertising as well as the use of USDA's Cochran Program and GSM program have helped to maintain a high awareness of the benefits of U.S. cotton among the Turkish mill owners

*The Exchange rate used in this report was: US\$ 1 = TL 1.55